



HUD Housing Counseling Program

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Brief History of Housing Counseling

- 1968 Authorized under Housing and Urban Development Act
- 1969 HUD began approving agencies for program
- 1974 Scope expanded to include rental counseling
- 1977 Housing counseling funds first appropriated
- 1987 Congress authorizes HECM program which requires counseling
- 1990s Increase in pre-purchase counseling as a result of federal and state policies promoting homeownership
- 2007 Increase in default counseling as a result of foreclosure crisis
- 2010 Dodd-Frank Legislation creates new requirements





Appropriations Growth

- 1977 - \$3 million
- 1995 - \$12 million
- 1998 - \$20 million
- 2003 - \$40 million
- 2008 - \$50 million
- 2009 - \$65 million
- 2010 - \$87.5 million
- 2011 - \$88 million (proposed)





Types of Housing Education Counseling and Service Delivery

Housing Counseling Topics

- Pre-purchase/Home Buying
- Resolving or Preventing Mortgage Delinquency or Default
- Non-Delinquency Post-Purchase
- Rental
- Reverse Mortgage
- Homeless Assistance

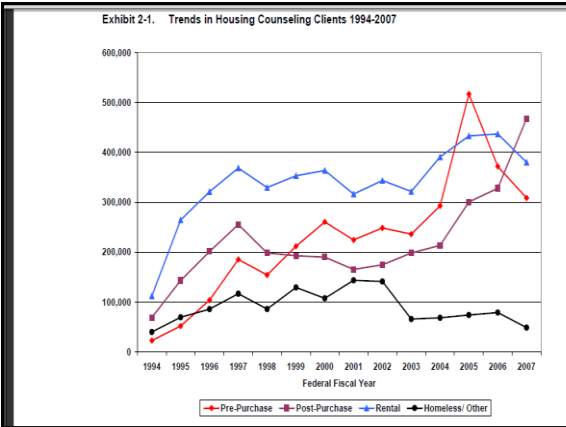
Service Types

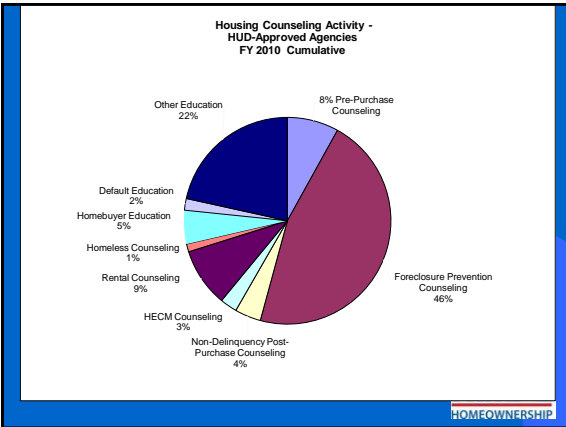
- Group Education
 - General Topics
- One-on-One Counseling
 - Unique financial circumstances
 - Discussion of alternatives
 - Action plan

Delivery of Services

- Face-to-Face
- Telephone









Counseling Agencies

There are 2,737 HCAs participating in HUD's HC Program:

- 1011 Local HCAs with 492 branches
- 27 Intermediaries
- 20 SHFAs
- 8 Multi-State Organizations (MSOs)
- 1179 affiliates and branches of intermediaries, SHFAs and MSOs





HUD-Approved Agency

HUD Approval Criteria

- Non-profit - Private or public non-profit with tax-exempt status
- Experience – administered housing counseling program for at least one year
- Community Base –Housing Counseling Work Plan
- Fair Housing - Compliance with fair housing and civil rights laws





Criteria for HUD Approval

- Non-profit - Private or public non-profit with tax-exempt status
- Experience – Administered housing counseling program for at least a year
- Community Base - Housing Counseling Work Plan
- Knowledge of HUD programs and local housing market
- Community Resources
- Fair Housing compliant with fair housing/civil right laws
- Record Keeping and Reporting
- Facilities





Reporting: HUD-9902

- Each agency must submit a quarterly form HUD-9902 report online
- Must report on the following for all activity and all sources of funds:
 - Ethnicity and race of clients
 - Income levels
 - Number of clients receiving education
 - Number of clients counseled by purpose and results
 - Total housing counseling budget





Training Options (sample)

- Listed below are the required and elective courses for earning a professional certificate in Homeownership and Community Lending from NeighborWorks America (HUD-approved Training Provider):
- **INSTITUTE 1:**
- HO103 Lending Basics for Homeownership Counselors -- (3 days)
AND
- HO105 Compliance with State and Federal Regulations -- (2 days)
- **INSTITUTE 2:**
- HO229 Homebuyer Education Methods: Training the Trainer -- (5 days)





Training Options (cont.)

- **INSTITUTE 3:**
- HO110 Introduction to Housing Counseling -- (3 days)
AND a two-day elective from Homeownership and Community Lending track
OR
- HO250 Housing Counseling Certification Principles, Practices and Techniques, Part I (5 days) For those with at least one year of counseling experience
- **INSTITUTE 4:**
- HO247 Post-purchase Education Methods --(5 days)

For more information, go to www.nw.org





Training Resource Contacts

- **NeighborWorks America**
 - Jayna Bower, Director, NeighborWorks Center for Homeownership Education and Counseling
 - jbower@nw.org
 - 202-220-2451
- **National Council of La Raza (NCLR)**
 - Victor Burrola, NCLR Homeownership Network Director
 - vburrola@nclr.org
 - 602-417-1434
- **National Community Reinvestment Coalition (NCRC)**
 - Jeffrey May, Assistant Director of National Neighbors
 - jmay@ncrc.org
 - 202-628-8866





Program Budget

\$87.5 million in 2010

- **HC Grants** - \$79.5 million
- **HC Training** - **\$5.5 million**
- **Administrative Contracts** - \$2.5 million





2010 HC Grants

Type of Agency	Amount Requested	Amount Awarded	# of Awards
LHCA – Comprehensive	\$35,738,771	\$19,000,000	464
SHFA – Comprehensive	\$4,803,855	\$3,300,000	19
Intermediaries – Comp	\$44,593,542	\$30,500,000	26
MSO - Comprehensive	\$2,395,998	\$2,200,000	5
HECM Supplement	\$17,260,381	\$9,500,000	64
Mortgage Mod/Scam - Supplement	\$12,056,959	\$4,301,637	71
Training	\$7,199,999	\$5,125,000	3
TOTAL	\$124,049,505	\$73,926,637	652





Oversight & Quality Control

- Onsite Performance Reviews
 - Every 2 years
- Financial Oversight – Intermediaries
 - Compliance with all financial and administrative requirements (OMB circulars, regulations, grant agreement)
- Remote Monitoring
- Mystery Shopping





Housing Counseling Research

HUD undertaking three part study

- 1st report on overview of industry published 2008
- Outcome evaluation is underway-final report due December 2011
- Impact Evaluation-currently being designed





Dodd-Frank Act

- Establishes Office of Housing Counseling
- Advisory Committee
- Requires approval of Individual Counselors
- Standards for Housing Counseling
- Mandates capacity building and outreach
- Requires provision of home inspection information as part of counseling





2011 HC Appropriation

\$88 million requested for 2011

- HC Grants - \$79 million
- HC Training - \$5.5 million
- Administrative Contracts - \$3.5 million





HUD Contact Information

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